

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Labor and Training

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WORKFORCE INVESTMENT NOTICE:05-01

TO: WORKFORCE INVESTMENT AREAS

FROM: John J. O'Hare, Administrator-Work Investment Office

SUBJECT: PY 2003 Incentive Awards for Performance

DATE: August 9, 2005

1. PURPOSE

This issuance will provide you with information concerning WIA Performance outcomes as they relate to the distribution of WIA Incentive Funds for achieving negotiated levels of performance or the imposition of sanctions for failing to achieve acceptable levels.

2. REFERENCES

Workforce Investment Notice 01-04, 01-10, 02-01, 03-01; TEGL 19-02

3. BACKGROUND

Each Local Workforce Investment Area in a State is subject to the same core indicators of performance and the customer satisfaction indicators that apply to the State under Sec. 666.100(a).

The Local Board and the chief elected official have negotiated with the Governor and reached agreement on the local levels of performance for each indicator identified under Sec. 666.300. The levels must be based on the State negotiated levels of performance established under Sec. 666.120.

The amount of funds used for Incentive Grants and the criteria used for determining exemplary local performance levels to qualify for the incentive grants are determined by the Governor. (WIA sec. 134(a)(2)(B)(iii).)

4. DISCUSSION

A. The State Role in Performance Standards

- X Negotiate the numerical level with the DOL and with the Local Board for each of the Secretary's 17 core standards.
- X Develop and implement an incentive policy consistent with DOL guidelines to be used in distributing incentive awards to WIAs. Such policy includes:
 - Definitions of meeting and exceeding each of the 17 standards
 - Criteria for determining which WIAs qualify for incentive awards.
 - A method of calculating incentive awards.
 - Developing and implementing policies to provide technical assistance to , and impose sanctions on, WIAs that fail to meet their standards.

B. The WIA and WIB Role in Performance Standards

LWIAs, with guidance from LWIBs, have the responsibility for implementing WIA programs and for making program design decisions about service and client mix. In making these decisions, WIAs must try to balance local goals, their assessment of local conditions, and the performance-standards incentives offered by the State. WIAs are also motivated to perform well for a number of reasons, including the desire to (1) develop programs that achieve high-quality of outcomes, (2) be accountable to local elected officials and representatives of the WIB, (3) be in a position to receive incentive awards, and (4) avoid possible reorganization as a consequence of failing to perform at acceptable levels for 2 years in succession.

C. Meeting or Failing Overall Performance Standards

To be eligible to receive an incentive award, a Local Area must meet two criteria. A Local Area must achieve at least a 100% cumulative program area score for each of the program areas and for the customer satisfaction group. In addition, a Local Area may not have any of their 17 measures fall below 85% of their negotiated performance levels.

- **Failure for the first year precludes a WIA from receiving any incentive awards and requires the Governor to provide technical assistance.**

If a local area fails to meet the negotiated levels of performance for the core indicators of performance or customer satisfaction indicators for a program in any program year, technical assistance will be provided as described in WIN 01-04.

- **Failure for a second year precludes a WIA from receiving any incentive awards and requires the Governor to impose a reorganization policy.**

If a local area fails to meet the negotiated levels of performance for the core indicators of performance or customer satisfaction indicators for a program for two consecutive program years, the Governor must take corrective actions. The corrective actions may include the development of a reorganization plan under which the Governor:

- (1) Requires the appointment and certification of a new Local Board;

- (2) Prohibits the use of particular service providers or One-Stop partners that have been identified as achieving poor levels of performance; or
- (3) Requires other appropriate measures designed to improve the performance of the local area.

If performance is unacceptable for two consecutive years on the **same** performance indicator, monetary sanctions may be imposed. Sanctions will be determined on a case-by-case basis, and may range from 1% up to a maximum 5% reduction in the program area in which the standard was failed.

D. Utilization of Funds

Incentive funds received by WIAs may be used for any activities allowed under WIA Title 1-B.

5. INCENTIVE AWARD FOR PY 2003

Based on the criteria necessary to receive an incentive, neither Workforce Investment Area is eligible for an award.

6. SANCTIONS

No sanctions apply to PY 2003 performance.

7. INQUIRIES: Questions concerning this Workforce Investment Notice may be directed to me or Donna Treglia at 401-462-8784.

ATTACHMENTS

GRI Performance Chart

P/C Performance Chart

GREATER RHODE ISLAND	PY 2003 Negotiated Levels	PY 2003 Actual Performance	85% Threshold	% of Negotiated Levels	% by Program Area
WIA Performance Measure					
Adult Entered Employment Rate	78.0%	75.0%	66.3%	96.2%	98.8%
Adult Employment Retention Rate	85.0%	85.4%	72.3%	100.5%	
Adult Earnings Change Rate	\$4,600	\$4,955	\$3,910	107.7%	
Adult Employment Credential Rate	62.0%	56.3%	52.7%	90.8%	
DW Entered Employment Rate	82.5%	86.6%	70.1%	105%	101.6%
DW Employment Retention Rate	89.0%	93.8%	75.7%	105.4%	
DW Earnings Change Rate	98.0%	87.7%	83.3%	89.5%	
DW Employment Credential Rate	71.0%	75.7%	60.4%	106.6%	
OY Entered Employment Rate	66.0%	64.0%	56.1%	97%	105.2%
OY Employment Retention Rate	78.0%	78.6%	66.3%	101%	
OY Earnings Change Rate	\$1,800	\$1,707	\$1,530	94.8%	
OY Employment Credential Rate	52.0%	57.7%	44.2%	111%	
YY Skill Attainment Rate	86.0%	88.8%	73.1%	103.3%	
YY Diplomas & Equivalent Attainment Rate	52.0%	72.0%	44.2%	138.5%	
YY Retention Rate	66.0%	60.0%	56.1%	90.9%	
Employer Customer Satisfaction Rate	71.0%	69.8%	60.4%	98.3%	100.1%
Participant Customer Satisfaction Rate	75.0%	76.4%	63.8%	101.9%	

PROVIDENCE/CRANSTON	PY 2003 Negotiated Levels	PY 2003 Actual Performance	85% Threshold	% of Negotiated Levels	% by Program Area
WIA Performance Measure					
Adult Entered Employment Rate	78.0%	85.4%	66.3%	109.5%	83.6%
Adult Employment Retention Rate	85.0%	88.7%	72.3%	104.4%	
Adult Earnings Change Rate	\$4,600	\$4,002	\$3,910	87.0%	
Adult Employment Credential Rate	62.0%	74.2	52.7%	119.7%	
DW Entered Employment Rate	82.5%	89.5%	70.1%	108.5%	106.3%
DW Employment Retention Rate	89.0%	88.7%	75.7%	100.0%	
DW Earnings Change Rate	98.0%	104.6%	83.3%	106.7%	
DW Employment Credential Rate	71.0%	78.0%	60.4%	110.0%	
OY Entered Employment Rate	66.0%	66.7%	56.1%	101.0%	105.1%
OY Employment Retention Rate	78.0%	83.3%	66.3%	106.8%	
OY Earnings Change Rate	\$1,800	\$2,781	\$1,530	155.0%	
OY Employment Credential Rate	52.0%	54.8%	44.2%	105.4%	
YY Skill Attainment Rate	86.0%	95.7%	73.1%	111.3%	
YY Diplomas & Equivalent Attainment Rate	52.0%	40.3%	44.2%	78.0%	
YY Retention Rate	66.0%	51.4%	56.1%	77.9%	
Employer Customer Satisfaction Rate	71.0%	68.2%	60.4%	96.1%	98.7%
Participant Customer Satisfaction Rate	75.0%	76.0%	63.8%	101.3%	